

CONTACTS FOR MEDIA: Roger Snell, communications director, (502) 564-6098, or Paula Freeman, 564-2664.

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Insurance commissioner and Aetna reach agreement for policyholders

FRANKFORT, Ky. - Aetna has agreed to honor its health plans through March 2000 and give policyholders time to make informed choices about changes in the Aetna network of doctors and hospitals, Insurance Commissioner George Nichols III announced today.

Both parties signed the agreement overnight after private negotiations. The agreement means that policyholders will have until their current health insurance policies end to make informed choices about future coverage, Nichols said.

"This is a major victory for policyholders and a significant move by Aetna to recognize its provider contracts and business decisions were having a greater impact than anticipated on its customers," Commissioner Nichols said. "Aetna deserves credit in working with us to find a quick and responsible way to protect policyholders and assure they have time to make informed decisions."

In addition to honoring policies completely through their anniversary year, up to March of next year, Aetna agrees to give at least 90 days notice of the provider network of doctors and hospitals for policyholders facing renewals in April, May and June 2000. This notice must come by Jan. 15, 2000, and specify the provider network expected for April 1, 2000, to the best of Aetna's knowledge.

Because of today's agreement, Nichols has withdrawn his request for a public hearing that was scheduled to begin on June 8.